



TEXAS REAL ESTATE COMMISSION

Mailing Address: **P.O. Box 12188 • AUSTIN, TEXAS • 78711-2188**

Phone: **(512) 459-6544** Fax: **(512) 465-3910**

World Wide Web: **<http://www.trec.state.tx.us>**

PRESS RELEASE

RELOCATION FIRM ACTIVITIES REVIEWED BY TREC

FOR MORE INFORMATION CONTACT:

Ron Servis

Texas Real Estate Commission

FOR IMMEDIATE RELEASE:

Wednesday, February 9, 2000

The practices of real estate relocation companies was the subject of extensive discussion during a meeting of the Texas Real Estate Commission (TREC) on Monday, February 7th.

Recently, TREC has received allegations of either a relocation company or an employer who is sponsoring an employee's move directing that certain real estate licensees not be used - even though a possible business relationship had already been established between the broker and consumer. A consumer could be put at a disadvantage when only specific real estate brokers designated by relocation firms, employers, or affinity groups must be used to receive relocation benefits or discounts. Representatives from various relocation companies explained their policies, repeated their commitment to not request "after the fact" referral fees, and provided a means for responding to complaints from real estate brokers.

Additionally, it was strongly suggested that licensees who are approached by relocating consumers should initially ask whether the consumer has any existing arrangement for services through his or her employer, relocation firm, or affinity group. In situations where consumers establish a business relationship with a real estate licensee, policies of the national Association of Real Estate License Law Officials (ARELLO) state that no other licensee should make any demand for a referral, unless a legal basis for payment of that referral fee exists. Additionally, a licensee should not interfere with the brokerage relationship of another licensee. Key members of the relocation industry have agreed to abide by these ARELLO policies.

In other action during the meeting, Commissioner Christine T. Folmer of El Paso was elected Vice-Chairperson. Commissioner Kay Sutton, from Midland, was chosen as Secretary. The Chairman, appointed by the Governor, remains Jay C. Brummett of Austin.